

WC 06-199

WASHINGTON, D.C. OFFICE

5th floor
flour mill building
1000 potomac street nw
washington, d.c. 20007-3501
TEL 202 965 7880 FAX 202 965 1729

OTHER OFFICES

beijing, china
new york, new york
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GSBLAW.COM

GARVEY SCHUBERT BARK

STAMP & RETURN

Please reply to JOHN WELLS KING
jking@gsblaw.com TEL EXT 2520

September 19, 2006

Our File No. 22006-00100-61

VIA HAND DELIVERY

Federal Communications Commission
Attention: Marlene H. Dortch, Secretary
International Bureau – Policy
P.O. Box 358115
Pittsburgh PA 15251-5115

FCC/MELLON

SEP 20 2006

RE: **GUAM CABLE GROUP, INC.**
Application For Consent To Transfer Of Control Of An Entity Holding
International Section 214 Authorizations, Interests In Cable Landing Licenses,
And Domestic Section 214 Authority
STREAMLINED PROCESSING REQUESTED

Dear Ms. Dortch:

On behalf of Guam Telecom, LLC, I transmit herewith the original and four copies of an application for Commission consent to the transfer of control of Guam Cable Group, Inc., from Startec Global Operating Company to Guam Telecom, LLC.

This firm's check in the amount of \$1,790.00, is enclosed to cover the filing fees due in the amount of \$895.00 each for (a) the international Section 214 application, and (b) the domestic Section 214 application, the fee code for both of which is CUT. Also enclosed is FCC Remittance Advice, Form 159.

Kindly communicate any question regarding the transferor's portion of the application to:

Robert Felgar, General Counsel
Startec Global Operating Company
7361 Calhoun Place, Suite 650
Rockville, MD 20855
(301) 610-4646

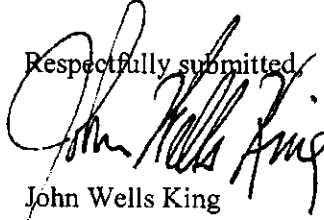


GARVEY SCHUBERT BARER

September 19, 2006
Page 2

Kindly communication any questions regarding the transferee's portion of the application directly to the undersigned.

Respectfully submitted,



John Wells King

JWK:yg

cc: Robert Felgar, Esquire (with enclosures)

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page 1 of 1

(1) LOCKBOX # 358115		<div style="border: 1px solid black; padding: 2px;">SPECIAL USE ONLY</div> <div style="border: 1px solid black; padding: 2px;">FCC USE ONLY</div>	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Garvey Schubert Barer		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$1,790.00	
(4) STREET ADDRESS LINE NO. 1 1000 Potomac Street, N.W.			
(5) STREET ADDRESS LINE NO. 2 Fifth Floor Flour Mill Building			
(6) CITY Washington		(7) STATE DC	(8) ZIP CODE 20007
(9) DAYTIME TELEPHONE NUMBER (include area code) (202) 965-7880		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0004988564		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Guam Telecom, LLC			
(14) STREET ADDRESS LINE NO. 1 600 Harmon Loop Road			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY Dededo		(17) STATE GU	(18) ZIP CODE 96929
(19) DAYTIME TELEPHONE NUMBER (include area code) (671) 635-4009		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0013921457		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE \$1,790.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23b) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT			
I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE _____		DATE _____	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s) authorization herein described.			
SIGNATURE _____		DATE _____	

SEE PUBLIC BURDEN ON REVERSE

FCC FORM 159

FEBRUARY 2003 (REVISED)

Before The
FEDERAL COMMUNICATIONS COMMISSION
Washington DC 20554

In the Matter of)
)
Application for Consent To Transfer Of Control Of)
)
GUAM CABLE GROUP, INC.,)
)
from)
)
STARTEC GLOBAL OPERATING COMPANY,)
Transferor,)
)
to)
)
GUAM TELECOM, LLC,)
Transferee.)

To: The Commission

**APPLICATION FOR CONSENT TO TRANSFER OF CONTROL OF AN ENTITY
HOLDING INTERNATIONAL SECTION 214 AUTHORIZATIONS,
INTERESTS IN CABLE LANDING LICENSES,
AND DOMESTIC SECTION 214 AUTHORITY**

Pursuant to Section 214 of the communications Act of 1934, as amended, 47 U.S.C. §214, the Cable landing License Act, 47 U.S.C. §§34-39, and Sections 1.767, 63.04, 63.18(e)(3), and 63.24(e) of the Commission's Rules, 47 C.F.R. §§ 1.767, 63.04, 63.18(e)(3), and 63.24(e), Startec Global Operating Company ("Startec"), as transferor, and Guam Telecom, LLC ("GTL"), as transferee, respectfully request Commission consent to the transfer of control of Guam Cable Group, Inc. ("GCG"), together with the international

Section 214 authorizations¹, minority interests in cable landing licenses², and domestic Section 214 authorizations held by GCG.

The Parties

GCG is a Delaware corporation headquartered in Hagåtña, Guam.

Startec is a Delaware corporation headquartered in Rockville, Maryland. Startec owns fifty percent of the outstanding common stock of GCG.

GTL is a Delaware limited liability company headquartered in Dededo, Guam. The Commission has granted GTL international Section 214 authority to provide facilities-based service in accordance with Section 63.18(e)(1) of the rules, and global resale service in accordance with Section 63.18(e)(2) of the Commission's rules.³

The Transaction

Startec and GTL have entered into a Stock Purchase Agreement pursuant to which GTL will acquire Startec's fifty percent interest in GCG, conditioned upon prior FCC approval thereto.

¹ ITC-91-171, ITC-93-047, ITC-95-394, ITC-96-432, ITC-214-20030404-00169 (ITC-95-394 authorizes operation of facilities on the TPC-5 undersea cable network on a common carrier basis).

² SCL-92-005 and SCL-92-005(M)-2 (TPC-5 Cable); SCL-LIC-19980309-00005, previous File No. SCL-98-002 (China-U.S. Cable); and SCL-89-004 (Guam-Philippines Cable).

³ ITC-214-20050825-00349, granted September 16, 2005.

Public Interest Statement

GTL is a start-up, Guam-based provider of telecommunications services which inaugurated service in 2005. As the holder of international Section 214 authority in its own right, GTL's acquisition of Startec's interest in GCG will enhance GTL's service capabilities and increase its effectiveness as a provider of telecommunications in the competitive marketplace. The acquisition will strengthen the assurance of the continued provision of service to GCG's customers.

For these reasons, the parties respectfully submit that grant of consent to the transfer of control of GCG is consistent with the public interest, convenience, and necessity, as required by Section 63.18 of the Commission's Rules, 47 C.F.R. §63.18.

The parties further demonstrate below that the application qualifies for streamlined treatment, and they request that the Commission act as expeditiously as possible in reviewing the application and granting consent to transfer of control in order to promote the foregoing objectives.

**Transfer of Control Information
Required by Sections 63.18 and 1.767**

As noted above, Startec and GTL request Commission consent to the transfer of control of GCG to GTL, and of its international Section 214 authorizations, minority interests in cable landing licenses, and domestic Section 214 authorizations.

Pursuant to Sections 1.767, and 63.18 of the Commission's Rules, 47 C.F.R. §§1.767, 63.18, the applicants submit the following information:

1.767(a)(1), 63.18(a) The name, address, and telephone number of Guam Cable Group, Inc. is:

Guam Cable Group, Inc.
135 Chalan Santo Papa
Hagåtña GU 96910
(671) 477-2244

The name, address, and telephone number of the transferor is:

Startec Global Operating Company
7361 Calhoun Place, Suite 650
Rockville MD 20854
(301) 610-4646

The name, address, and telephone number of the transferee is:

Guam Telecom, LLC
600 Harmon Loop Road
Calvo Commercial Center
Dededo GU 96929
(671) 635-4031

1.767(a)(2), 63.18(b) GCG is organized under the laws of the State of Delaware.

Startec is organized under the laws of the State of Delaware.

GTL is organized under the laws of the State of Delaware.

1.767(a)(3), 63.18(c) The name, title, post office address, and telephone number of the officer and contact point to whom correspondence concerning the application is to be addressed:

Officer:

Craig Thompson, President
Guam Telecom, LLC
600 Harmon Loop Road
Calvo Commercial Center
Dededo GU 96929
(671) 635-4031

Contact Point:

John Wells King, Esquire
Garvey Schubert Barer
1000 Potomac Street NW, Fifth Floor
Washington DC 20007
(202) 965-7880

With a copy to:

Robert Felgar, General Counsel
Startec Global Operating Company
7361 Calhoun Place, Suite 650
Rockville, MD 20855
(301) 610-4646

63.18(d) Facilities and services authorized to GCG:

(i) **ITC-91-171, ITC-93-047, ITC-95-394, ITC-96-432, and ITC-214-20030404-00169** authorize facilities-based and resale services between the United States and all international points except those listed on the Commission's Exclusion List. **ITC-95-394** authorizes operation of facilities on the TPC-5 undersea cable network on a common carrier basis.

(ii) **SCL-92-005 and SCL-92-005(M)-2 (TPC-5 Cable); SCL-LIC-19980309-00005, previous File No. SCL-98-002 (China-U.S. Cable); and SCL-89-004 (Guam-Philippines Cable).**

Facilities and services authorized to Startec:

(i) **ITC-89-099 and ITC-97-379** authorize facilities-based and resale services between the United States and all international points except those listed on the Commission's Exclusion List.

Facilities authorized to GTL:

(i) **ITC-214-20050825-00349** authorizes facilities-based and resale services between the United States and all international points except those listed on the Commission's Exclusion List.

63.18(e) No response required.

- 63.18(f) No response required.
- 63.18(g) No response required.
- 63.18(h) Name, address, citizenship and principal business of the transferee's ten percent or greater direct and indirect shareholders or other equity holders

Parent of Guam Telecom, LLC:

Name: MCV Guam Investments, LLC
600 Harmon Loop Rd.
Dededo, Guam 96929
Telephone: (671) 635-4031
Facsimile: (671) 632-6280
Citizenship: U.S.
Percent Ownership: 100
State of Org.: Delaware
Principal Business: Investments

Parent of MCV Guam Investments, LLC:

Name: MCV Guam Holding Corp.
600 Harmon Loop Rd.
Dededo, Guam 96929
Telephone: (671) 635-4031
Facsimile: (671) 632-6280
Citizenship: U.S.
Percent Ownership: 99.7
State of Org.: Guam
Principal Business: Investments

Parent of MCV Guam Holding Corp.:

Name: MCV Acquisition, LLC
600 Harmon Loop Rd.
Dededo, Guam 96929
Telephone: (671) 635-4031
Facsimile: (671) 632-6280
Citizenship: U.S.
Percent Ownership: 100
State of Org.: Delaware
Principal Business: Investments

Owners of MCV Acquisition, LLC:

Name: Seaport Capital Partners II, LP
1 Seaport Plaza
199 Water Street, 20th Floor
New York NY 10038

Citizenship: U.S.
Percent Ownership: 89.9
State of Org.: Delaware
Principal Business: Investments

Name: United Micronesia Development Association
Bank of Hawaii Building
Mariana Heights Business Park
P.O. Box 5235
Saipan, MP 96950

Citizenship: U.S.
Percent Ownership: 8.3%
State of Org.: Commonwealth of Northern Mariana Islands
Principal Business: Investments

Principals in Seaport Capital Partners II, LP

Name: California Public Employees' Retirement System
Lincoln Plaza
400 P Street
Sacramento CA 95814

Percent Ownership: 13.7%
(There is no other interest holder with a derivative interest in the transferee of 10% or greater.)
Principal Business: Retirement Administrator

Name: CEA Investment Partners II, LLC
1 Seaport Plaza
199 Water Street, 20th Floor
New York NY 10038

Position: Sole General Partner
Principal Business: Investments

Principals in CEA Investment Partners II, LLC

Name: Seaport Associates, LLC
1 Seaport Plaza
199 Water Street, 20th Floor
New York NY 10038
Percent Ownership: 75
State of Org.: Delaware
Principal Business: Investments

Name: CEA Seaport Holdings, LLC
1 Seaport Plaza
199 Water Street, 20th Floor
New York NY 10038
Percent Ownership: 25
State of Org.: Delaware
Principal Business: Investments

Principals in Seaport Associates, LLC

Name: William Luby
1 Seaport Plaza
199 Water Street, 20th Floor
New York NY 10038
Citizenship: U.S.
Position: Managing Member
Principal Business: Investments

Name: James Collis
1 Seaport Plaza
199 Water Street, 20th Floor
New York NY 10038
Citizenship: U.S.
Position: Managing Member
Principal Business: Investments

Interests in CEA Seaport Holdings, LLC

Name: The J. Patrick Michaels Family Trust,
J. Patrick Michaels, Trustee
1 Seaport Plaza
199 Water Street, 20th Floor
New York NY 10038

Citizenship: U.S.
Principal Business: Investments

- 63.18(i) GTL is not, nor is it affiliated with, a foreign carrier.
- 63.18(j) GTL does not seek to provide international telecommunications services to any destination country for which any of the circumstances in subsections (1) through (4) of Section 63.18(j) is true.
- 63.18(k)–(m) Not applicable. GTL is not, nor is affiliated with, a foreign carrier.
- 63.18(n) GTL has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.
- 63.18(o) No party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- 63.18(p) The application qualifies for streamlined processing pursuant to Sections 1.767(k) and 63.12 of the Commission's Rules, 47 C.F.R. §§ 1.767(k), 63.12. GTL has no affiliation with foreign carriers that possess market power in their destination markets, and indeed, has no affiliation with foreign carriers whatsoever.

Attached hereto as Exhibit A is the additional information required under paragraphs (a)(6) through (a)(12) of Section 63.04 of the Commission's rules.

Conclusion

Wherefore, for the reasons stated herein, applicants respectfully submit that the public interest, convenience and necessity would be furthered by grant of this Application for Commission consent to the transfer of control of Guam Cable Group, Inc., together with its (1) international Section 214 authorizations, (2) minority interests in cable landing licenses, and (3) domestic Section 214 authorizations held by GCG.


Respectfully submitted,

GUAM CABLE GROUP, INC.



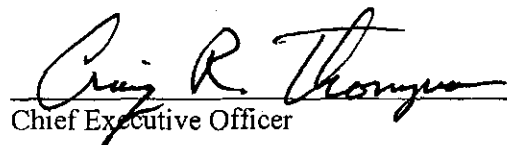
President

STARTEC GLOBAL OPERATING COMPANY,
Transferor



Chief Executive Officer

GUAM TELECOM, LLC,
Transferee



Chief Executive Officer

Date: September 15, 2006

EXHIBIT A

Pursuant to Section 63.04(a)(6) – (a)(12) of the Commission's Rules, 47 C.F.R. §

63.04, the applicants submit the following information:

- (a)(6) GTL and Startec entered into a Stock Purchase Agreement dated as of August 10, 2006, pursuant to which Startec agreed to sell all of its stock in GCG.⁴ Startec completed an evaluation of the future business direction of GCG and Startec. Based on that evaluation, Startec's Board of Directors elected to dispose of its stock sale transaction described herein.

GCG's primary assets are interests in the TPC-5, China-U.S. and Guam-Philippines undersea cable networks. GCG also has leases and subleases for fiber optic capacity and collocations in Guam. GTL is acquiring Startec's interest in GCG in order to send traffic over those facilities. The consideration for Startec's stock in GCG is a cash payment to Startec, as well as a release of certain liabilities.

- (a)(7) Startec offers domestic and international long distance services to residential customers nation-wide with its Dial-1, 10-10-719 dial-around and Cellconnect services.⁵ Startec's long distance customers tend to be concentrated in major metropolitan areas on the east and west coasts of the United States. Startec also provides its long distance services primarily to small and medium-sized ethnic enterprises, as well as to mid-sized business customers, often in conjunction with dial-up Internet access, domestic and international private line services, and other products.

GTL offers domestic and international long distance services to business and residential customers in the Territory of Guam.

- (a)(8) Applicants respectfully submit this Application qualifies for streamlined treatment pursuant to Section 63.03(b)(2)(i) because none of the applicants, nor their affiliates, are dominant with respect to any service. In addition, GTL will have a market share of less than 10 percent in the interstate, interexchange market following the transfer of

⁴ The parties also executed a Management Services Agreement pursuant to which GTL agrees to provide certain management services to GCG, subject to GCG's direction and control. After the transaction is approved by the Commission, GTL will assume complete management control of GCG. Applicants will provide the Commission with copies of the Stock Purchase Agreement and/or TSA upon request.

⁵ Startec's Cellconnect service allows callers to connect to Startec's network from their cell phones and pay the same low international rates that Startec charges for its Dial-1 service. Callers connect to Startec's network by dialing a 1-800 number.

assets and will provide services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Consequently, the proposed asset transfer has no potential to result in harm to the public interest.

- (a)(9) Other than the international Section 214 and cable landing license portions of this Application, no other FCC applications relate to the transaction that is the subject of this Application.
- (a)(10) The parties are not seeking special consideration.
- (a)(11) No waiver requests have been filed in conjunction with this transaction.
- (a)(12) GTL's acquisition of Startec's interest in GCG will enhance GTL's service capabilities and increase its effectiveness as a provider of telecommunications in the competitive marketplace. The acquisition will strengthen the assurance of the continued provision of service to GCG's customers.

CERTIFICATE

The undersigned, Yvette Graves, an employee in the law offices of Garvey Schubert Barer in Washington DC, does hereby certify pursuant to Section 1.767 of the Commission's rules that the foregoing APPLICATION FOR CONSENT TO TRANSFER OF CONTROL OF AN ENTITY HOLDING INTERNATIONAL SECTION 214 AUTHORIZATIONS, INTERESTS IN CABLE LANDING LICENSES, AND DOMESTIC SECTION 214 AUTHORITY has been served this date by First-Class Mail, postage prepaid, on the following:

U.S. Coordinator, EB/CIP
U.S. Department of State
2201 C Street, NW
Washington DC 20520-5818

Office of Chief Counsel/NTIA
U.S. Department of Commerce
14th Street and Constitution Avenue, NW
Washington DC 20230

Defense Information Systems Agency
Code RGC
701 S. Courthouse Road
Arlington VA 22204



September 19, 2006